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TO THE

CONSIDERATIONS,

Occasioned by the

CRAFTSMAN upon EXCISE,

So far as it relates to the

TOBACCO TRADE.



L O N D O N,

Printed for E. NUTT at the Royal Exchange

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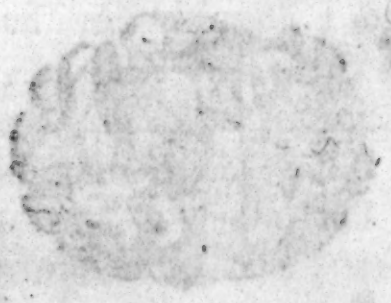
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OF THE

STATEMENT UPON EXCISE

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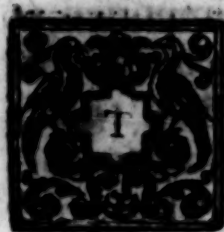
TOBACCO TRADE



LONDON

Printed by J. Smith, at the Royal Exchange, in the Strand.

A N
A N S W E R
To the *CONSIDERATIONS*
occasioned by the Craftsman upon
Excise, so far as it relates to the
Tobacco Trade.



THE Paper lately published, Intituled, *Considerations occasioned by the Craftsman upon Excises*, is so fallacious and trifling an Answer to what has been said on Excises, that I should not have thought it necessary to make any Remarks upon it, were there not some Things in it relating to the Tobacco Trade, which may happen to mislead those Persons who are not acquainted with that Branch of our Commerce.

I GRANT what the Author lays down,
“ that the nearer the Duty upon any Commo-
“ dity is paid to the Time of Consumption,
“ the Consumer may be afforded that Com-
“ modity the cheaper : ” It is for this

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Reason

Reason that there is a considerable Time given for the Payment of the Customs on most of the Goods imported, as well as a Premium allowed the Merchant on prompt Payment, to incourage him to pay down the Duties in Money.

HE tells us, “ that the Method of paying
 “ Duties at the Port, or by way of Excise,
 “ should be settled by two Considerations :
 “ First, the Ease and Convenience of the
 “ Dealer ; Secondly, the effectual securing of
 “ the Duties so as to prevent Frauds.

As to the first ; It is the most natural Method to pay the Duties on Goods imported at the first Port. The landing of Foreign Commodities is the first Production of them to us ; and it is the common Practice with us to collect the Duties on any Commodity of the first Manufacturer. The Brewer pays the Excise on Beer, and not the Ale-house keeper or Consumer : The Soap-boiler pays the Excise, and not the Retailer or House-keeper : And it is the same as to Malt, Hops, Candles, Leather, and many other Commodities.

It is also more agreeable to the Dealer in imported Commodities, that he pay or secure the Duties on Importation, and from that Hour have a free and full Possession of his Goods, to sell or dispose of them as he may think

think fit, rather than to have them lock'd up, and there remain till some poor retailing Tradesman shall apply to him to redeem them.

As to the second Consideration, the preventing of Frauds, it is certain, that the sooner the Duty is secured, the less Danger there is of any Fraud; *This last Consideration*, he says, *is as much in favour of the fair Dealer as the Revenue*; but, in the Course of this Paper, it will appear to be prejudicial to both.

“ THE Tobacco Trade, says the Considerer, as the Duties have been, and are now collected, by long Experience has been found liable to excessive Frauds, so great, that the Frauds, and Discompts allowed upon the Pretence of Waste or otherwise, have, upon a fair Calculation, appeared to go a great Way towards answering the home Consumption.” Surely this Writer does not think those Frauds which are Allowances granted by Act of Parliament for the Relief and Incouragement of this Trade, and without which it had been lost long since. There are no more Allowances given than the Law directs, and the taking them away will be raising the Duty. It is not so much as pretended, any considerable Quantity of Tobacco is run. It is too bulky a Commodity for that Purpose, and therefore, says the Considerer,

derer, " the Temptation to Frauds in the
 " Drawbacks of this Commodity is so great,
 " that it has been impracticable to remedy
 " them." Since he has made this Charge, he
 is call'd upon to make publick what he knows
 of any clandestine Doings of this Kind, and
 what Discoveries there have been of any Per-
 son's being guilty of such Practices. For my
 Part, I have never heard there have been any
 Discovery, or even the Suspicion of any one
 shipping off Trash or Rubbish for real To-
 bacco, and receiving the Drawback. Unless
 this is done, there can be no Frauds on Ex-
 portations; for the Drawback is no more nor
 less than just the bare Duty, either paid or
 secured on Importation.

THE Considerer next expresses himself
 with a great deal of affected Tendernefs for
 the fair Merchant; " The Duty, says he,
 " upon the Importation of Tobacco at the
 " Port, and which must be immediately paid
 " or bonded, is, all Discompts deducted, Five-
 " Pence and a Fraction *per* Pound Weight.
 " The Merchant who sells this Commodity to
 " the Retailer having, before such Sale, entered
 " into Bond for the Duty, gives Credit to the
 " Retailer both for the Duty and clear Cost of
 " the Commodity; and how many Merchants,
 " adds he, have been ruined by this Credit
 " which they are obliged to give those they
 " deal with?

IT is true, Tobacco Merchants have failed, and so have many others; but these Misfortunes have happen'd, either from unforeseen or unavoidable Accidents; perhaps sometimes from ill Conduct, and not on account of the Credit which they have had given them by the Crown. However the Considerer's Scheme will be no Ease to the Merchant, but certainly much more burdensome; for he does not propose taking off the whole or any Part of the Duty, but to make the manner of collecting it more insupportable. If the Duty must be paid, there must be a Credit given, it being impossible to collect it of the Consumer for every Pipe of Tobacco he smokes. The Retailer has a large Credit given him by the first Buyer, and the first Buyer a large Credit from the Importer; therefore, as this Trade has been, it must still be carried on by Credit, or lost. The Crown, the Importer, the first Buyer, and the Retailer, have always given a Credit in aid, to circulate the same; and Experience shews, that all these Helps are requisite to carry it on to the Extent it is now carried. Excise Duties are payable immediately; there Credit is thrust out; and where that is wanting, Trade will stagnate. The Commerce of this Kingdom is in a great measure carried on by Credit; and, as the Duties payable on Goods and Merchandizes imported is so considerable a
Part

Part of the Value of Foreign Commodities sold and consumed here, the Publick may properly be reckon'd a Partner with the Merchant, and ought therefore to join Credit with him so far as the Duties amount to, or give Encouragement for prompt Payments. By such Encouragement the Merchant is enabled, as well as induced, to imploy a much greater Stock in Trade; and it was doubtless with this View that the Parliament, whenever they have laid any Duties on Goods imported, have made the Payment as easy to the Importer as was possible, either by giving Time, or allowing a sufficient Discount to enable and encourage him to raise Money to pay down the Duties, as may be seen by the following Acts of Parliament.

The Duty of Poundage,	12	} 5 per Cent. Discount.
Car. II. Cap. 4. payable immediately	— —	

Additional Duty on Wine,	} 10 per Cent. per An. Discount.
payable in nine Months; but if the Duty paid down -	

Impost on Wine, &c. 1 Jam. II.	} 10 per Cent. per An. Discount.
Cap. 3. payable in 9 Months,	
by three equal Payments; but if the Duty paid down	

Impost

Impost on Goods 1690,
2 *Will.* and *Mary*, Session,
Cap. 2. payable in 12 Months,
by four equal Payments;
but if the Duty paid down } 10 per Cent. per An.
Discount.

Additional Impost, 4 & 5. *W.* &
M. *Cap.* 5. payable in 12 Months
but if the Duty paid down } 10 per Cent. per An.
Discount.

Duties upon Salt, 5 & 6 *Dto.*
Cap. 7. payable in 6 Months;
but if the Duty paid down } 10 per Cent. per An.
Discount.

Ditto ——— 9 & 10 *Will.* III.
Cap. 14. payable in 6 Months;
but if the Duty paid down } 10 per Cent. per An.
Discount.

Duties upon Salt, 10 & 11
Will. III. *Cap.* 22. payable in
9 Months; but if the Duty
paid down ——— } 10 per Cent. per An.
Discount.

Duties upon Coals, &c. 9 &
10 *Dto.* *Cap.* 13. payable in 3
Months; but if the Duty paid
down ——— } 10 per Cent. per An.
Discount.

New Duty on Whale Fins,
9 & 10 *Dto.* *Cap.* 45. pay-
able in 12 Months; but if
the Duty paid down ——— } 10 per Cent.
Discount.

Fifteen per Cent. 10 & 11 *Will.* III. on *India*
Goods to be paid upon the Sale of the Goods,
B which

which is to be within 12 Months from the Landing; and if paid in twenty Days after, to have 5 *per Cent.* Discount.

New Duty on Raisins, &c. *Cap. 7.* }
payable 12 Months; but if the } 10 *per Cent.*
Duty paid down — — — } Discount.

Additional Duty, payable twelve }
Months; but if the Duty paid } 10 *per Cent.*
down — — — } Discount.

Additional Duty on Linnen, pay- }
able 12 Months; but if the Duty } 10 *per Cent.*
paid down — — — } Discount.

Additional Duty on Silk, payable }
12 Months; but if the Duty paid } 10 *per Cent.*
down — — — } Discount.

N. B. *The same Allowances at present on Salt, by the Act of last Sessions, as was given by the former Laws.*

THIS Method of levying the Duties is both just and equitable; they ease the Trader, and are some Abatement in the Price of imported Commodities to the Consumer: And by these Examples it appears, that the Parliament has generally enlarged the Time for Payment of the additional Duties, in proportion to the Greatness of such Duty, with a Discount after the Rate of 10 *per Cent. per Annum.*

THERE

THERE is no Trade stands more in need of being made easy in these Respects, than that of *Virginia* and *Maryland*. The Considerer, by his own Calculation, makes the Crown (in regard of the Customs) to be five Sevenths concerned in every Pound of Tobacco on Importation; and upon a reasonable Computation (at a Medium) this Tobacco lies eight Months on the Importer's Hands before it is sold, and it is at least eighteen Months before he is in Cash for it; and it would be an unsupportable Hardship on him, if he were under a Necessity of pawning his Tobacco on hard Terms, or selling it upon worse, to raise Money to pay the Custom, which would be the Case, if he had not Credit with the Crown, or Incouragement given him to raise Money to pay down the Duties. And tho' this Credit is extended to Eighteen Months on Tobacco, on account of the Greatness of the Duty, yet the Discount is no more than 10 *per Cent.* for the whole Eighteen Months, if the Importer pays the Duty in Money instead of bonding it; so that the Importers of Tobacco have no more Favour in point of Discounts, than is given to many others where the Duty is not so heavy. This shews that the Considerer's Scheme can be of no Ease to the Merchant, since it has been already proved, that neither the first Buyer nor Retailer can pay the Duty in ready Money; they not being able to carry on their Trade

without the Merchant's Credit : Therefore, if the Merchants don't pay the Duty on Tobacco, it must lie and rot.

THE Welfare of *Great Britain*, does, in a great Measure, depend upon our *American Colonies*; but they are of Use to it only in respect to Trade. The bare Dominion will add very little to the Strength or Riches of their Mother Country. None of our Settlements in *America* are more beneficial to *Great Britain* than *Virginia* and *Maryland*, in regard to the Quantities of Manufactures of all Kinds, which they take from us, and the Number of Ships and Seamen imployed in fetching Tobacco from thence, and carrying it again from this Kingdom to foreign Markets; But this Trade is greatly supported by Credit. The Planter, when he sends home his Tobacco (as they term sending it to *England*) generally draws Bills of Exchange on his Correspondent, or orders him to send Goods by the first Opportunity of Shipping, which, upon the Credit of the Tobacco consigned, is generally comply'd with; and without this Credit, they could neither supply themselves with Negroes, cloath themselves or Servants, or furnish themselves with Tools to cultivate their Land, and keep up their Plantations.

BESIDES, putting this Trade under an Excise, will deprive the Planters of one Market for

for their Tobacco; whereas they have at present two, one from Purchasers at their own Doors, the other in *Great Britain*, by their Correspondent to whom they consign their Tobacco. If the former will, at any Time, take Advantage of the Planter's Wants, and impose too low a Price for Tobacco, or too high a Price for his Goods to be given in Exchange, then he has the *European* Market open to him, by shipping his Tobacco to *Great Britain*; and thus he becomes as well Merchant as Planter, and partakes of the Benefit of the *European* Market, equal with any Importer of Tobacco on his own Account, and is also supplied with those Necessaries he wants, without Loss of Time, Payment of Interest, or any Advance upon the first Cost, more than the usual Charge upon Shipping; and it is owing to this Method of Trade in the Plantations, that its Commerce is become so extensive: And this shews, that the Credit or Encouragement given by the Crown to the Merchant, centers in the Planter. Therefore, if ready Money be imposed for the Duties on Tobacco, the Planter will feel the Effects of it, since, in the Want of this Credit, he will be deprived of one Market, *to wit*, that of *Europe*. The other at his own Doors, will be a scanty one, and occasion the Necessaries for his Family to come very dear to him. This will discourage Plant-
ing

ing on the one hand, and on the other, put the Planter on turning his Hands to Manufactures for his own Use: By this Means so many Poor in *Great Britain*, now employed in the Manufactures, which *Virginia* and *Maryland* take from us, and in fitting out Ships employed in Trade to these Colonies, must be deprived of Labour, to the Prejudice of the Trade and Navigation of this Kingdom; the Revenue must greatly suffer by the Loss of this Commerce, and the Balance of Trade with our Neighbours, be so much more in our Disfavour.

THE Considerer says, *That the French have still very large Plantations of Tobacco in Orange, and other Provinces of France, and have made several Laws to prevent the Importation of it from hence; and that the Dutch, not many Years ago, had planted Tobacco in Guelderland.*

I AM at a Loss for what Purpose he introduced so palpable a Falsity; a Falsity, of which there is hardly a Porter on the Keys but can convict him. The Planting of Tobacco is forbid in *France*, and they import from us many thousands of Hogsheads yearly. The *Dutch*, many Years ago, planted Tobacco in *Guelderland*, and they plant it there still; and if the Scheme this Writer is defending goes on, they'll plant more, to the Ruin
of

of this Trade. It is owing to our having carried on this Trade in so extensive a Manner, by supplying Foreigners at so cheap a Price, with Tobacco, that the *French*, as well as the *Dutch*, have not enter'd upon the Planting this Commodity to any Degree, either in *Europe* or *America*; but, by laying the Trade under any Discouragement, less is not to be expected than that they will revive some, and enlarge other of their Plantations of Tobacco, and then beat us out of this Part of our Commerce, as we have too fatally experienced they have done in the Sugar Trade.

HE next tells us, *that the Ministry, about nine Years since, touched with a Representation of the decayed Condition of this great Branch of the British Commerce, mov'd the Parliament to allow the whole Duty paid on Tobacco, to be drawn back on Exportation.* This is owned to have been a seasonable Relief, and the Traders always expressed their Gratitude for it; and I hope, it will not be thought derogatory to the present Ministry, to say, that former Ministries have also shewn Favours to the Tobacco Trade. I shall mention but one Instance, which, because it is so long since, may probably be forgot; it is this: Part of the Duty now payable on Tobacco, called the Impost, which is 3 *d. per lib.* was first laid on that Commodity, in the First Year of the Reign of King *James II.* by an Act, Intituled,
An

An Act for granting to his Majesty an Imposition on Tobacco and Sugar, and was to be levied on the Consumer or first Buyer, and put under Commissioners appointed for that Purpose, distinct from the Commissioners of the Customs; but this being found burdensome to the Trader, and also a Loss to the Revenue, the Ministry, touched with the Hardships the Merchant lay under, and also the Detriment to the Revenue, moved the Parliament, and accordingly, by an Act of the 7th and 8th of William III. it was Enacted, That the said Duty granted by the said Act made in the First Year of the Reign of the said late King James, and which, by the said Act, are made payable by the first Buyer, and subject to the Rules of Excise, in the several Parts of the Management thereof, should, for the future, be under the Management of the Commissioners of the Customs. This Method of raising Duties on Tobacco by an Excise, was, by the Experience of Ten Years, found to answer no good End. It harassed the Merchant, and lessened the Revenue. The same Cause will ever produce the same Effect; therefore it is hop'd, that upon the Knowledge of an Excise having once failed, it will not be attempted a second Time.

CONVULSIONS, in all Bodies, weaken, and many times destroy them. The Alteration proposed by an Excise, will make such
a Con-

a Convulsion in the Tobacco Trade, that it will be impossible ever to recover. As the Planter will have no Market for his Tobacco, but at his own Door, he must be content with what the Purchasers will give him, by taking Goods on their Terms in Exchange. This will soon tire him of Planting, and consequently lessen the Quantity of Tobacco, which, with the many Vexations to the Trader, the Price will so rise, as is already observed, to encourage the Planting of Tobacco in our neighbouring Nations, and in a short Time, they will beat us out of this Trade; and, considering Tobacco is a Thing only amusive, dependent upon Fancy, and not intrinsically necessary, small Discouragements may induce us to lay it aside in this Kingdom. A Trade once lost is rarely ever recovered.

As the Revenue now arising by Tobacco, on the present Method of collecting it, is considerable, it cannot be thought advisable to put it under the Collection of Excise. It is certain, it will not increase the Consumption. If the Consumption, by such new Experiment, should be lessened, which is very probable, for it will be impossible to carry on the Trade under all these Incumbrances, then not only the Trade and Navigation will be deeply affected, but, so far as the Revenue

is diminished, so far the Security given to the Creditors of the Nation is lessened.

I SHOULD have taken no farther Notice of these Considerations, had the Author confin'd himself to Things of a publick Nature. Every one hath Liberty to offer his Thoughts of that Kind to the Publick; but by what Authority he undertakes to bring little Differences (if there be any) between Merchants and their Correspondents, to the Consideration of the Publick, I know not. He can't be so weak as to think the Ministry or Legislature will stoop so low as to concern themselves in Affairs of so little or no Moment. He may think perhaps, he pays a Compliment to several Merchants that he knows, *who are Men of too much Justice and Honour cruelly to increase the necessary Charges on the Planter*, tho', at the same time, he wickedly and slyly insinuates, *that their fair Charges are very grievous*. I do aver, that the Tobacco Merchants make no more Charges on their Correspondents, than what is allowed and practis'd by Merchants in all Parts of the World; (nay, they omit many Charges which are allowed in other Trades) and they are also Charges which have been practis'd Time out of Mind, with Allowance and Consent, and never so much as complained of, much less disputed, and are now trump't up only to serve a Turn,
by

by which the Author not only exposes his own Ignorance, but the Ignorance of his *Prompter*, in Mercantile Affairs. But when the Blind lead the Blind, they both fall into the Ditch, and there I shall leave them to lament *the melancholly State of another great * Article of our Commerce.*

* Sugar Trade.

F I N I S.



1911
The following is a list of the
names of the persons who
were present at the
meeting of the
Board of Directors
of the
City of
New York
on the
1st day of
January
1911.



2171

